

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
ILLINOIS

Tuan Steward v. Wilson Outdoor Services, LLC

Steward · No. 25-cv-1960-RJD · Decided April 15, 2026

SUMMARY

The United States District Court for the Southern District of Illinois denied Plaintiff Tuan Steward’s motion for default judgment and granted Defendant Wilson Outdoor Services, LLC’s motion to vacate the entry of default. The court found good cause, prompt corrective action, and arguably meritorious defenses under Federal Rule of Civil Procedure 55(c), and vacated the Clerk’s entry of default.

CASE DETAILS

COURT	United States District Court for the Southern District of Illinois
WRITING FOR THE COURT	Reona J. Daly
JURISDICTION	United States District Court for the Southern District of Illinois
DECIDED	April 15, 2026
DOCKET	25-cv-1960-RJD
DISPOSITION	vacated
PROCEDURAL POSTURE	Plaintiff moved for default judgment after the Clerk entered default against Defendant. Defendant moved to vacate the entry of default under Federal Rule of Civil Procedure 55(c).
STANDARD OF REVIEW	Under Federal Rule of Civil Procedure 55(c), an entry of default may be set aside for good cause. The Court applied the Seventh Circuit's requirement that the defendant show good cause for the inaction, prompt steps to correct the default, and an arguably meritorious defense, viewing those elements leniently.
PRECEDENTIAL VALUE	Nonprecedential unpublished district-court order

TOPICS

- default judgment
- default
- civil procedure
- wage and hour
- retaliation

PRACTICE AREAS

- civil procedure
- employment law
- wage and hour
- retaliation

QUESTIONS PRESENTED

1. Whether Defendant established good cause to set aside the Clerk's entry of default under Federal Rule of Civil Procedure 55(c).
2. Whether Plaintiff was entitled to default judgment after the entry of default.
3. Whether Defendant identified an arguably meritorious defense to Plaintiff's retaliatory-discharge and overtime claims.

HOLDINGS

1. Defendant established good cause because its failure to respond was inadvertent rather than willful, it took prompt steps to correct the default after learning of it, and it identified arguably meritorious defenses.
2. Defendant identified arguably meritorious defenses sufficient for purposes of Rule 55(c), including that Plaintiff was discharged because there was no available work for him because he lacked a valid driver's license and could not operate Defendant's vehicles or equipment, and that employment records conflicted with Plaintiff's allegations regarding hours worked and hiring date.
3. Plaintiff was not entitled to default judgment because the Clerk's entry of default was vacated.

KEY QUOTATIONS

“Under Federal Rule of Civil Procedure 55(c), “[t]he court may set aside an entry of default for good cause, and it may set aside a final default judgment under Rule 60(b).””

“To vacate an entry of default, the moving party must show “good cause for the defendant’s inaction, prompt steps to correct the default, and an arguably meritorious defense to the lawsuit.””

“In this context, a “meritorious defense . . . mean[s] more than bare legal conclusions . . . but less than a definitive showing that the defense will prevail.””

FACTUAL BACKGROUND

Plaintiff alleged that Defendant failed to pay overtime wages under the FLSA and Illinois Minimum Wage Law and terminated Plaintiff in retaliation for protected activity. Defendant was served on November 18, 2025, but did not answer by the December 9 deadline, resulting in a Clerk's entry of default on December 30. Defendant explained that its registered agent believed the insurer was handling the defense, and Defendant later identified defenses concerning Plaintiff's lack of a valid driver's license, the availability of work, and inconsistencies in the alleged hours worked and hiring date.

PROCEDURAL HISTORY

Plaintiff filed claims under the Fair Labor Standards Act, the Illinois Minimum Wage Law, and Illinois law concerning retaliatory discharge. Defendant was served but failed to answer by the deadline, and the Clerk entered default. Defendant's registered agent initially attempted to proceed without counsel, but the Court struck that filing because a legal entity cannot appear pro se and ordered Defendant to retain counsel. After counsel

appeared, Defendant moved to vacate the entry of default. The Court granted Defendant's motion, vacated the Clerk's entry of default, and denied Plaintiff's motion for default judgment.

DISPOSITION

vacated

CASES CITED

- Sun v. Bd. of Trustees of Univ. of Ill., 473 F.3d 799, 811 (7th Cir. 2007)
- Parker v. Scheck Mech. Corp., 772 F.3d 502, 505 (7th Cir. 2014)
- Cracco v. Vitran Express, Inc., 559 F.3d 625, 631 (7th Cir. 2009)

OPINION

IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF ILLINOIS TUAN STEWARD,)) Plaintiff,) vs.) Case No. 25-cv-1960-RJD) WILSON OUTDOOR SERVICES,) LLC,)) Defendant.) ORDER DALY, Magistrate Judge:1 This matter comes before the Court on Plaintiff's Motion for Default Judgment (Doc. 10) and Defendant's Motion to Vacate Entry of Default (Doc.

19). For the reasons explained below, Plaintiff's motion is DENIED, and Defendant's motion is GRANTED. The Clerk's entry of default (Doc. 9) is VACATED. Background On October 24, 2025, Plaintiff filed the instant action against Defendant, Wilson Outdoor Services, LLC, seeking redress for Defendant's failure to pay overtime wages to Plaintiff and other similarly situated persons under the Fair Labor Standards Act, 29 U.S.C. § 201, et. seq., (the "FLSA") and the Illinois Minimum Wage Law (820 ILCS 105/4a) ("IMWL"); and for Defendant's termination of Plaintiff's employment in retaliation for him asserting his rights under the Illinois Workers' Compensation Act ("IWCA") and in response to Plaintiff's protected activity under Illinois common law.

(Doc. 1). 1 This case has been assigned to the undersigned through the parties' consent. (Doc. 21). On November 18, 2025, Defendant was served with Plaintiff's Complaint, and its answer was due on December 9, 2025. (Doc. 7). Defendant failed to respond by that deadline, and on December 30, 2025, the Clerk entered a default. (Doc. 9).

On January 22, 2026, Plaintiff moved for a default judgment. (Doc. 10). On January 29, 2026, David Wilson, Defendant's registered agent, filed a pro se Motion to Vacate the Motion for Default Judgment (Doc. 11) and Motion to Extend All Deadlines (Doc. 12).

The Court struck the motion because Defendant, being a legal entity, could not be represented pro se. Defendant was ordered to retain counsel and have counsel enter an appearance in this case on or before March 5, 2026. (Doc. 15). Thereafter, defense counsel timely entered their appearance in

this case, (Docs. 16 & 17), opposed Plaintiff's motion for default judgment, and moved to vacate the Clerk's entry of default (Doc.

19). Defendant explained that its registered agent tendered the defense of this case, along with Plaintiff's worker's compensation claim, to his insurer who, however, failed to enter an appearance in this case. (Doc. 11). Plaintiff did not respond to the motion to vacate the entry of default.

Under Federal Rule of Civil Procedure 55(c), "[t]he court may set aside an entry of default for good cause, and it may set aside a final default judgment under Rule 60(b)." Fed. R. Civ. P. 55(c). The Seventh Circuit favors a trial on the merits versus a default. *Sun v. Bd. of Trustees of Univ. of IL*, 473 F.3d 799, 811 (7th Cir. 2007).

To vacate an entry of default, the moving party must show "good cause for the defendant's inaction, prompt steps to correct the default, and an arguably meritorious defense to the lawsuit." *Parker v. Scheck Mech. Corp.*, 772 F.3d 502, 505 (7th Cir. 2014) (citation omitted).

In this context, a "meritorious defense... mean[s] more than bare legal conclusions... but less than a definitive showing that the defense will prevail." *Id.* (citation and quotation marks omitted). The Court views these elements leniently. *Id.* at 505.

Here, Defendant has provided a sufficient explanation to establish good cause for its default. Defendant did not willfully fail to respond to the Complaint; rather, it did so inadvertently, under the impression that its insurance company was handling its representation in this matter and would file a responsive pleading. Further, within 30 days of the entry of default, and as soon as he learned of it, Defendant's registered agent attempted to file a motion to vacate on its behalf.

While the Court struck the filing as improper, Defendant retained counsel and filed this instant motion within the Court's deadline. Accordingly, Defendant has established good cause for the default and quick action to correct it. Defendant has also identified arguably meritorious defenses.

As to the retaliatory discharge claim, Defendant counters that Plaintiff was discharged because of a lack of available work, given that Plaintiff did not have a valid driver's license and could not operate the vehicles or equipment. See *Cracco v. Vitran Exp., Inc.*, 559 F.3d 625, 631 (7th Cir. 2009) (affirming discretionary decision to vacate default where defendant explained nature of defense and provided the factual basis for it).

Further, Defendant has pointed out inconsistencies between Plaintiff's pleading and the employment record as to the number of hours Plaintiff worked and Plaintiff's hiring day, which is an arguably meritorious defense against Plaintiff's claim that he was routinely denied overtime.

Accordingly, Defendant has established all elements warranting the vacation of the entry of default, and its Motion to Vacate Entry of Default (Doc. 19) is GRANTED. Because the entry of

default will be vacated, Plaintiff's Motion for Default Judgment (Doc. 10) is DENIED. Conclusion For these reasons, Plaintiff's Motion for Default Judgment (Doc. 10) is DENIED, and Defendant's Motion to Vacate Entry of Default (Doc.

19) is GRANTED. The Clerk's entry of default (Doc. 9) is VACATED. IT IS SO ORDERED. DATED: April 15, 2026 s/ Reona J. Daly Reona J. Daly United States Magistrate Judge